

# Timeline of Crisis Ignored

**January, 2001**

## **Optimistic Revenue Projections**

Governor Whitman submits FY 2002 budget with projected revenues of \$22.874 billion and increases spending \$1.4 billion. Revenue estimates net increased \$350 million.

**April, 2001**

OLS projects Administration's FY 2002 revenue estimates are \$836 million too high.

OLS projects a 25% **DECLINE** in capital gains. In spite of this information, the Administration projects a 3.5% **INCREASE**.

**May, 2001**

OLS revised revenue estimates for FY 2002 are \$1.2 billion less than the Administration's January estimate.

**June 21, 2001**

FY 2002 Budget adopted with revenues at essentially same levels as original January estimate.

**February, 2001**

Office of Revenue & Economic Analysis estimates FY 2001 & FY 2002 income tax revenues could be overestimated by \$800 million per year.

**May, 2001**

Administration receives information from Economy.com that capital gains revenues should be estimated at a 22% to 35% **DECLINE**.

**June 13, 2001**

Treasurer revises FY 2002 down only \$513 million.

**July-Dec., 2001**

\$463,000,000 in unbudgeted expenditures following budget adoption.